

## CHARGES SUGAR TRUST TRIED TO HANDLE WILSON

Claus Spreckels Says E. D. Babst Wanted Dissolution Suit Dropped.

### URGED USE OF INFLUENCE

Refining Official Denies Allegations Before Senate Committee.

Special Dispatch to This Sun.

WASHINGTON, Dec. 15.—Claus Spreckels, president of the Federal Sugar Refining Company and arch enemy of the so-called sugar trust, resumed his testimony before the Senate investigating committee today. He pursued the same course of criticism adopted yesterday and his statements tended evidently in the direction of attempting to prove actual collusion action between the Food Administration and the American Sugar Refining Company and its affiliates in the beet and cane sugar industries.

He furnished one sensation in the course of the day when he asserted that Earl D. Babst, vice-president of the American Sugar Refining Company, had suggested to him that he avail himself of his reputed cordial relations with President Wilson and write a letter to the Chief Executive urging that the dissolution suit against the alleged trust now pending in the Federal courts be dropped. This brought an immediate denial from Mr. Babst.

Mr. Spreckels stated that the request from Mr. Babst had come to him at the time when his (Spreckels) request for an allotment of raw sugar from the International Sugar Committee was pending. Mr. Babst was chairman of the International committee and Mr. Spreckels had explained to him that he had made overtures, which necessitated an allotment for the Federal concern in order that its contracts might be filled.

### Tells About Conversation.

The witness testified that about October 1 Mr. Babst came to him and said: "We are good now and we have an allotment from the Attorney-General that if you will write a letter to the President, saying we are good the suit will be dismissed."

"What makes you think I have such influence with the President?" Mr. Spreckels said he replied: "Because you are one of our principal competitors," was stated as the answer. Mr. Spreckels stated that Mr. Babst said again that "we are good now and will be in the future," and that he (Spreckels) answered, "I am not willing to take a chance on the future." Mr. Spreckels said he declined to write such a letter.

Mr. Babst gave his version of the conversation and said nothing about the request for a letter.

"Wasn't anything said about a letter to the President?" asked Senator Reed.

"No."

Mr. Spreckels, sitting a few feet from Mr. Babst, quickly faced about and questioned:

"Didn't you ask me to write a letter to President Wilson?"

"I did not," said Mr. Babst firmly.

Turning to Senator Reed Mr. Spreckels declared that "my statement was made under oath and I am willing to repeat it."

"So was mine," snapped Mr. Babst.

### Explanation by Mr. Babst.

"I explained to Mr. Spreckels," Mr. Babst said, "that as we were all under Government control I had been suggested that possibly the dissolution suit against us might be dismissed. I asked that if such a proposition was made by our competitors would he join in the request that it be done. He said he would think it over."

The investigation also was enlivened by several interchanges of a wordy character between Chairman Reed and Counselor Lindley of the Food Administration. Mr. Lindley endeavored to bring into the hearing an immediate refutation of the statements Mr. Spreckels was making.

"You are making an argument, not a statement," snapped Senator Reed. "As to the facts you state, I believe I would have to controvert every one of them."

That the Food Administration had ordered any one was denied by Mr. Lindley. He said there had been no coercion as to the fixing of prices on various commodities.

"The United States Food Administration," said the counsel, "has adopted proper means of persuading certain persons to follow its rules."

"What would you call that but coercion?" demanded the chairman.

Mr. Spreckels denied the possible benefits which might accrue to the so-called sugar trust by putting through a high

price for Cuban raw sugar. Said he: "When Cuban sugar advances in price beet sugar and Hawaiian sugar go with it. The Sugar Trust controls the beet sugar factories and the Hawaiian output. Thus while the refiners would not benefit directly by the increased price paid Cuban planters the Sugar Trust would reap the benefits in enormous profits gained on beet sugar and the Hawaiian product."

Later in the testimony it was shown that the American Sugar Refining Company and its affiliates had refused to advance the price it had been paying for sugar beets, although it was certain that a much enhanced price for the finished sugar would be obtained through the action of the Food Administration in fixing very high figures on the Cuban raw sugar.

According to the report of the American Sugar Refining Company the cost of refining their finished products in 1916 was \$8.85 per cental. Under the arrangement of the Food Administration whereby the market price for the refined production of Cuban and other cane fields is fixed at \$1.30 the best product will enjoy similar advantages. The extra profit to the beet sugar people, therefore, it was estimated, would amount next year to \$22,000,000.

There followed general discussion of the organization of the International committee and its work in fixing prices and arranging universal contracts for the purchase of the Cuban output.

"Who represented the consuming public at these conferences?" Chairman Reed demanded.

Mr. Spreckels said he did not know.

### It Controls 26 Factories.

The chairman spoke at considerable length in regard to the organization and affiliations of the American Sugar Refining Company. He showed that the trust controlled twenty-six of the factories engaged in the production of beet sugar and that their control over the output was of 21,000 tons of production out of 76,000 tons per day.

The chairman then turned to the testimony to-day dealt with his intimations that in organizing the sugar division of the Food Administration the organization had been at pains to land influential positions for a host of employees of the American Sugar Refining Company, apparently affording excellent opportunity for these officials in favor of their former and probably ultimate employer in the peace years to come at the expense of independent concerns.

### Food Administration Aids.

Mr. Spreckels said the building at 111 Wall street, or at least that part of it occupied by the Food Administration, is literally infested with such employees. He gave the list of the leaders. It included:

G. M. Rolph, as chairman of the International committee and also head of the sugar division, formerly head of the California Hawaiian Sugar Company and affiliated with the so-called trust.

Earl D. Babst, also a member of the International committee and president of the American Sugar Refining Company, the core of the alleged combination.

W. A. Jamieson, member of the International committee and connected with the American concern.

Henry C. Mott, buyer for the sugar division of the United States Food Administration and up to the outbreak of the war buyer for the American Sugar Refining Company.

Edwin T. Gibson, secretary to the International committee and formerly secretary to Earl D. Babst.

E. E. Hooker, the committee of one for the sugar divisions of the Food Administration and formerly an employee of the American Sugar Refining Company.

The Food Administration is watching the proceeding of the inquiry with eager interest. Never less than a half dozen of the sugar experts of the Federal Government are on hand at each session.

### Hoover Issues Statement.

To-night Herbert C. Hoover, deplorable to meet the Spreckels charges while they are still prominent in the public mind, issues a statement as follows:

"It requires no proof from me to establish that Mr. Spreckels, a leading sugar refiner, is sore at the Food Administration and would like to see it destroyed. I realize that Mr. Spreckels' balance sheet will not look so good next year as last, for refiners' profits have been regulated. Furthermore, his balance sheet would have looked better this year if the price of last August had not been reduced and held fast in the face of a possible shortage that promised a fair opportunity for thirty cent sugar and much increased profits."

"Mr. Spreckels therefore has reason to feel bad. There are other citizens who will feel the same way and no doubt can entertain the public by assailing the Food Administration. While many feel bad, still the vast majority of men and women of our business community and of our farmers are sacrificing their profits daily to the nation's necessities without complaint, for many are sacrificing more than their money—her sons."

### Two Months of Shortage.

"We have had two months of partial sugar shortage—October and November—and will also have December before relief from the new crop. The American people have had 500,000 tons of sugar in these two months—that is 70 per cent of their normal supplies in each month—and if care are available they will have 70 per cent in December. Owing to car shortages the shortage has been most acute in the Northeast, and about 200 cars are to-day backed from that region."

"This 70 per cent is twice the French

ration. In the meantime we have given France a good part of the 50 per cent, and are proud of it. This supply to France was given deliberately and the American people were told of it at the time. We have also agreed to draw 10,000 tons for our friends in Canada. I have yet to meet an American citizen who would have had it otherwise."

"As to the Food Administration stopping the sources of supply. The fact that all available supplies have been brought here that ships and cars could bring, and that it has already been eaten, is a sufficient answer."

"Mr. Spreckels knows the bitterness of the ten year fight between producers and refiners—between different refiners—and if he looks back over the last three months he will observe a desire of many of these elements to use the Food Administration as a club to settle their long standing bitterness."

"If Mr. Spreckels will tell us where there is any sugar to-day that ships can be obtained to carry or cars can be obtained to deliver it will be delivered at once with the same resolution that we have requisitioned or distributed over 60,000,000 pounds of embargoed sugar since October 1. In the meantime the 300,000 tons of sugar in Java is as remote as cheese out of the moon, unless we wish to take bread ships from our own soldiers and allies to provide ourselves with candy."

Mr. Babst's statement.

Mr. Babst to-night made this statement: "My request to-day for the Senate committee's permission to make a statement was unusual, but I wanted them to know that misrepresentation and falsehood will be answered fully."

"I hope the people will reserve their judgment in this case until we have presented our full case, then I have no fear of the result. We are going to see this thing through."

"It is well known in the sugar trade that the American Sugar Refining Company has since last February sold its sugar for from 1-4 of a cent to a full cent a pound below the prices of Mr. Spreckels' company."

### ACCUSED OF SUGAR HOARDING.

Bronx Man Had 52 Barrels Stored in Warehouse.

Hyman Borrok of 1880 Boston road, The Bronx, formerly a manufacturer of wafers at 329 Third avenue, was arraigned yesterday before Justice Freschi.

of the Court of Special Sessions, charged under the new State food laws with hoarding fifty-two barrels of sugar. He was placed under \$100 bail to appear for examination on December 22.

Detective William R. Wittenberg, attached to the District Attorney's office, found the sugar in the warehouse of the F. C. Linde Company at 756 Greenwich street. Mr. Wittenberg said, and a warrant was sworn out for Borrok's arrest.

Borrok admitted that he bought the sugar in two lots. Mr. Wittenberg said, paying 7 cents a pound for one lot and 8 cents for the other. He originally had sixty barrels, but sold eight barrels, getting on his sale \$4.45 cents a pound, the Food Administration price.

Borrok insisted that he had no idea of hoarding sugar. He said that when he bought it he meant to go into the business of manufacturing syrup. He admitted he hadn't made any syrup, however.

T. R. VISITS CAMP SHERMAN.

Col. Roosevelt Addresses Officers at Chillicothe, Ohio.

CAMP SHERMAN, CHILICOTHE, Ohio, Dec. 15.—Every minute of the four hours Col. Theodore Roosevelt spent at the National Army camp here to-day was in demand. The former President arrived shortly after 11 o'clock from Cincinnati, was met by Major-General E. F. Glenn, the commanding officer, and was driven about on an inspection of the camp.

At noon the Colonel ate luncheon with staff officers at division headquarters and later informally addressed all of the camp's officers in the Y. M. C. A. auditorium. He did not talk to the drafted and enlisted men.

Plans had been made to hold a formal review of the entire division for Col. Roosevelt, but at his request and because of the coldness of the weather the review was not held. The former President left for St. Louis at 8:45 o'clock.

### DULUTH NAVIGATION CLOSES.

Lake Shipping for 1917 May Second Record Year.

DULUTH, Dec. 15.—Navigation for the season of 1917 at the head of the lakes practically came to a close at midnight last night, when the steamers Munsey and Boston cleared for Buffalo with grain.

The total amount of shipping for the year probably will be only second to the record established in 1916 despite a late opening.



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**we will close them out completely at Marked Reductions in Prices.**

### Table Cloths

Usual price \$4.50.....	\$2.95	Usually up to \$10.50.....	\$6.95	Usually up to \$35.00.....	\$17.75
Usual price \$6.00.....	\$3.95	Usual price \$15.00.....	\$9.75	Usually up to \$45.00.....	\$24.50
Usual price \$7.50.....	\$4.75	Usual price \$16.85.....	\$11.75	Usually up to \$62.00.....	\$31.00

### Napkins

Usual price \$3.25 dozen.....	\$2.50	Usually up to \$9.50 dozen.....	\$5.95
Usually up to \$5.00 dozen.....	\$3.75	Usually up to \$13.50 dozen.....	\$9.45
Usually up to \$7.50 dozen.....	\$4.45	Usually up to \$25.00 dozen.....	\$16.85

Second Floor.

## Small Size Oriental Rugs

### Holiday Gifts That Will Endure

A Splendid Assortment of Persian and Chinese Rugs at Attractively Moderate Prices.

### Chinese Rugs

Hand carved qualities in exquisite colorings.

Sizes 2x3 to 3x6 feet

\$17.50 to \$52.50

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Silky pieces in rich shades of dark red, blue and ivory.

Sizes about 3x5 feet.

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### Hamidan Mosoul Rugs

Heavy, Silky pieces in a large selection of designs and colorings.

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## Room Size Orientals

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Size Averaging 12x14 feet.....

### Chinese Rugs

Size Averaging 5x8 feet.....

Size Averaging 13x17 feet.....

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Fifth Floor.

## Sale of Cut Glass and Crystal

Timely Reductions for Holiday Purchasing

Thin Blown Plain Tumblers.....dozen	69c	Jam Jars with colored spoons.....each	\$1.00
Thin Blown Cut Tumblers.....dozen	\$1.20	Cut Glass Candy Jars.....each	\$1.00
Thin Blown Cut Goblets.....dozen	\$3.00	Handled Lunch Plates.....each	\$1.50
Cut Glass Bon Bon Compotes.....each	75c	Large footed Punch Bowls.....each	\$3.50

The Cut Glass section shows a magnificent collection of Venetian Glassware, hand painted objects on Glass, Gold incrustations on the finest crystal and Rock crystal of the best quality.

Moderate Prices Prevail Throughout.

Fifth Floor.



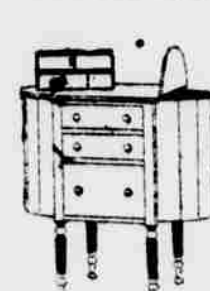
Solid Mahogany Tea Wagon with glass tray top, two rear wheels prevent tilting. Formerly \$17.50.....\$14.25



Folding Card Table, frame mahogany finished, felt covered top. Formerly \$2.50.....\$1.95



Mahogany Tilt Tables, with top 22 in. in diameter. Formerly \$6.00.....\$3.95



"Cowan" Martha Washington Solid Mahogany Sewing Cabinet, made with invisible hinges.....\$12.50



Solid Mahogany Smoking Stand, 28 inches high, weighted base, glass tray, nickel match holder and cigar rests. Special.....\$2.45



Tapestry Arm Chair or Rocker (large size), spring edge seat, all hair and moss construction, web bottom, made in our own workroom. Formerly \$40.00.....\$29.50



Mahogany Dinner Chimes, sweet ringing tone. Special.....\$5.00



Solid Mahogany Tabourette, 18 inches high; 14 inch top. Special.....\$3.95



Mahogany Arm Chair or Rockers, with various coverings; made in our own workroom, worth \$22.00.....\$13.75

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